



- Purchase from third party supplier in area if state laws permit
- Purchase from utility company supplier if third party not allowed
- Power purchase if possible (tags if not possible) without a premium

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Wind Power Purchasing Strategy

- Regional areas (19)
- Aggregated DoD (Air Force, Army, Navy, Marine Corps) facilities load in territory
- Centralized contracting activity aggregates loads
 - Power Marketing Agency (WAPA, BPA, TVA)
 - Aggegrator (DESC, GSA)

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Wind Power Purchasing Strategy (con't)

- DoD Facility or Major Command (MAJCOM, IMA, EFD)
- Account for any legal state and other regulatory barriers
- Account for future DoD renewable (wind, geothermal, solar) development on or near DoD installations

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Wind Power Purchasing Contracts

- Full and Open Competition
- Power Purchase Agreement for full power requirements
- Long term (5 to 10 years)

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Wind Power Purchasing Contracts (con't)

- Shaped product to match installation profile
- Delivery of shaped product by supplier or Power Marketing Agency
- Fixed price of shaped product
 - Below expected wholesale power price over contract period
 - Includes all transmission cost
 - Includes all balancing charges and penalties

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Wind Power Purchasing Contracts (con't)

- · Contract Award Procedure
 - RFI Request for Information
 - RFP Request for Proposals
 - DoD RFP Evaluation Team
 - Website www.fedbizops.gov

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Wind Power Purchasing Regions

- 1. NV & NM 70 MW
- 2. BPA Direct Served Customers 40 mw
- 3. BPA Service Area 150 mw
- 4. WAPA Central Valley Customers 55 mw
- 5. WAPA Non-Central Valley Customers 210 mw

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Wind Power Purchasing Regions (con't)

- 6. WAPA Service Area 500 mw
- 7. PJM Service Area (PA, NJ, MD, DC) 260 mw
- 8. Heartland Area (KS, MO, OK) 60 mw
- 9. TX 180 mw
- TVA Service Area (Parts of TN,KY, GA, MS, AL) – 75 mw

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Wind Power Purchasing Regions (con't)

- 11. KY & WV 21 mw
- 12. Northeastern Area (NY, CT, RI, NH, VT ME) 10 mw
- 13. VA 200 mw
- 14. Upper Heartland Area (MI, IL, IN,OH, IA, MN, WI) 120 mw
- 15. Upper MISO Area

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Wind Power Purchasing Regions (con't)

- 16. NC & SC
- 17. AR & LA 10 mw
- 18. Southern Company Service Area (AL, GA, MS, FL Panhandle) 300 mw
- 19. FL 90 mw

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Air Force Wind Power Purchasing Contracts

Base	Term	Annual Quantity	Product/Price	Comment
1. Cannon	FY 02-06	1.8 Gwh	Generation Premium	3% of load
2. Dyess	FY 02-04	78 Gwh	Generation Premium	100% of load
3. Edwards	FY 01-05	132 Gwh	Generation/Competitive	60% of load, ramp up to 100% renewable in 3rd year
4. Grand Forks	FY 02-06	1.8 Gwh	Tags/Premium	2.6 % of load
5. Schriever	FY 02-06	1.8 Gwh	Generation Premium	2.5% of load
6. Sheppard	FY 03-05	6.3 Gwh	Generation Premium	5% of load
7. F. E. Warren	FY 02-06	2.2 Gwh	Tags/Premium	2.5 % of load
8. Minot	FY 02-06	4.0 Gwh	Generation Premium	2% of load
9. Laughlin	FY 03-05	42 Gwh	Generation Premium	10% of load
10. Goodfellow	FY 03-04	2.1 Gwh	Generation Premium	5% of load
11. Lackland	FY 02-06	1.8 Gwh	Generation Premium	1.3% of load
12. Ellsworth	FY 02-06	22 Gwh	Tags/Premium	3% of load, Rosebud Tribe Generation
13. Fairchild	FY 02-06	7.8 Gwh	Generation Premium	10% of load
		246 Gwh		

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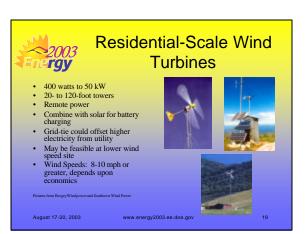














Typical Development Process

- First Pass Analysis Is Wind Worth Investigating?
- Site Evaluation and Wind Resource Assessment
- Feasibility Studies and Economic Analyses
- Equipment Selection and Procurement
- Project Design and Construction
- Operation and Maintenance

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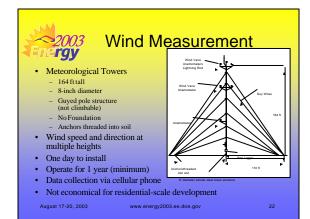
Site Assessment

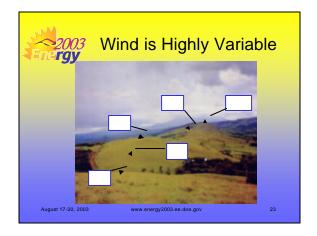
- Wind existing measurements?
- Land quantity, complexity, usage, access, orientation, buildings
- Transmission voltage, capacity, distance, system impact
- Environmental sensitive flora and fauna, visual impacts, sound, cultural resources
- Power Purchase Contracts rate schedules
- Air Space aviation and communication
- Policies State or local incentives

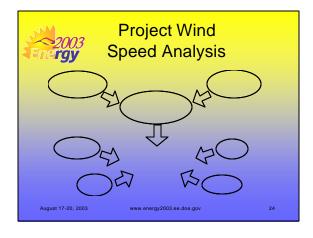
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2003 Feas

Feasibility Analysis

- Scope depends on development options
- Project size and equipment options
- Energy production estimates (gross and net) from wind data and assumptions
- Environmental and cultural considerations
- · Project costs, funding sources, evaluation criteria
- Cost of energy
- Power Purchase and Interconnect Agreements

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Residential-Scale Turbine Analysis

- Estimate range of turbine production using existing local wind measurements.
- Evaluate local utility rules and rates associated with load-side generation.
- Evaluate load patterns.
- Calculate range of buy-back periods (years) for various equipment options and wind speeds.
- Acceptable buy-back period? 5 to 10 years

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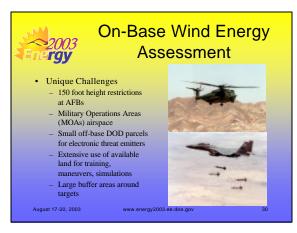
On-Base Wind Energy Assessment • Assessment Process - Over 900 installations from DOD Real Property Inventory - Multiple screening criteria • Base size (> 1000 acres) • Quantity of windy land (Class 3,4,5+) • Proximity to transmission • Local electricity costs • State policies • Market potential - NREL performed GIS analysis using high resolution wind maps - Established short list

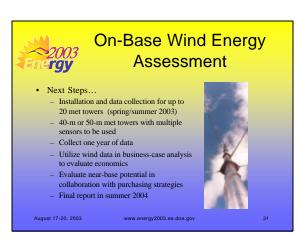
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More Information?

- American Wind Energy Association
 www.awea.org
- U.S. Department of Energy Windpowering America <u>www.eere.energy.gov/windpoweringamerica/</u>
- National Renewable Energy Laboratory <u>www.nrel.gov/wind</u>
- National Wind Coordinating Committee www.nationalwind.org

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